Magic Quadrant for Delivery Utility Enterprise Asset Management

For delivery utility companies searching for EAM maintenance software solutions, we analyze stand-alone (component) and suite-based software products that solve asset management problems.

WHAT YOU NEED TO KNOW

This research provides guidance for companies that are investing in management software for physical assets and equipment, and it updates the 2009 "Magic Quadrant for Transmission and Distribution Enterprise Asset Management." We evaluated EAM products for power generation in the "Magic Quadrant for Power Generation Enterprise Asset Management Software," with greater focus on the unique features and vendor experience in that subsector.

Component (aka, best-of-breed) EAM products suitable for delivery (i.e., power transmission and distribution, water, wastewater and gas) companies are a specialized area of software. Some suite vendors also actively market their EAM modules as component offerings and sell them as specialized maintenance solutions. Other suite vendors only offer EAM modules as part of the ERP suite being marketed, and, thus, these vendors have a market for EAM that is limited to their own customer base. In the past, these differences have often been simplistically reduced to the "better functionality" of the component vendors contrasted with the better integration of a single-vendor ERP. This is no longer such a simple argument, since the EAM investment by ERP vendors has steadily reduced the functional difference to the point where functionality is not such a gap between the different types of vendors serving this market.

In this sector, clients need to look at their overall application portfolios and plan how their EAM solutions will interact with other related components, such as geographic information systems (GISs), customer information systems (CISs), outage management and mobile work scheduling. As evidenced by the growth forecasts and the inquiries we receive on this topic, many utilities are considering upgrading to or reinvesting in asset management software. With increased concerns about aging assets, the aging workforce and network reliability, regulators are likely to decide favorably on cost recovery for these investments. Utilities should be able to justify these projects with defined cost and service improvements to end-user customers.

Utilities should make key architectural decisions, such as choosing between a component approach or an ERP suite solution, as part of their EAM selection processes. Based on the relative importance of asset reliability and availability to the overall success of the business, a company should select the vendor that best fits its architecture, while offering the optimum mix of functionality for the asset portfolio. Vendors vary widely in scalability and functionality, and a solution that is appropriate for one client may lack key features needed by another client. Long-term vendor and product viability are factors in most customer evaluations,

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and potential buyers should examine current profitability, as well as a long-term commitment to EAM and utilities.

Although the scope of this assessment is global, some vendors specialize in geographies and may be small globally but significant regionally, so do not choose vendors based on size alone. Because the Magic Quadrant process is, by necessity, an "averaging" of vendor offerings and performance, we always recommend consulting the authoring analyst to get specific advice on your needs, location and industry subsector, such as electric, gas or water.

MAGIC QUADRANT

Positioning on this Magic Quadrant (see Figure 1) reflects the customer view of the market. It also focuses on the solutions available; includes the suite offerings; and takes into consideration functionality, the experience available, and the fit to purpose. This assessment focuses on the vendors providing applications that are used to manage work associated with transmission (for example, electric transmission lines/substations and gas pipelines) and distribution (for example, electric wires, gas pipes and water pipes). It also covers various work types, including construction (capital), inspections, operations and maintenance, and service orders.

Clients should bear in mind that the market for EAM products is very broad and populated with hundreds of vendors. Gartner has reviewed what we consider to be the most relevant products for the clients operating in this market segment. As such, while this Magic Quadrant has widely distributed vendor positions, all those listed are active and successful in this market, and are the top echelon. In essence, this Magic Quadrant represents the top-right corner of a much larger "virtual" Magic Quadrant of vendors that are not considered herein.

Market Overview

The market segment considered for this Magic Quadrant is delivery utility (i.e., power transmission and distribution, water, wastewater and gas) companies that seek software solutions for the management and support of internally owned assets in a geographically distributed environment. Their focus is to keep plant and equipment facilities, as well as linear assets (pipes and wires), available with minimal downtime and at the lowest cost to maximize revenue.

Figure 1. Magic Quadrant for Delivery Utility Enterprise Asset Management

Source: Gartner (September 2010)
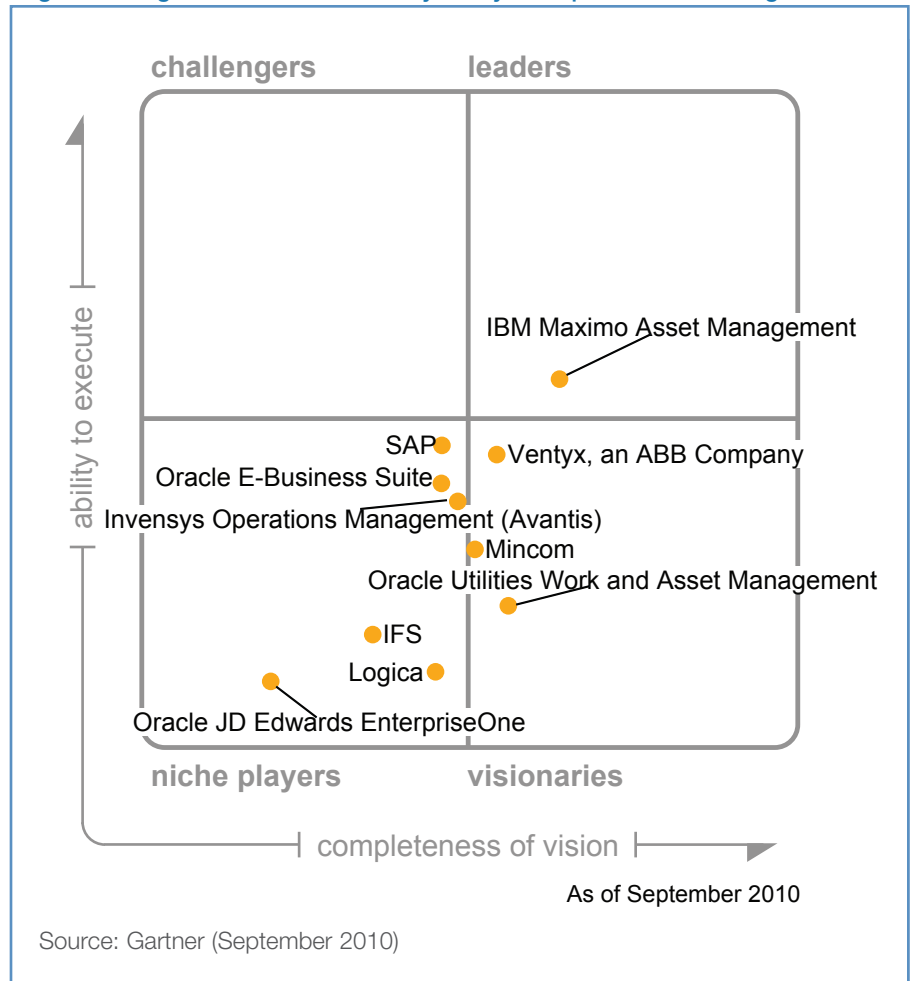
These systems usually encompass asset management and materials management (for example, inventory and purchasing) functionalities, and include mobile workforce capabilities (or at least formal partnerships). Most installations involve integration with other software products, such as:

- Native or third-party ERP to support budgeting and financial management

- Inventory, supply chain management and procurement

- GISs to support asset management

- Location awareness

- Network connectivity for network-level risk assessment

- Outage management systems (OMSs) for network recovery

- CISs to support customer service

The global EAM market wasn't completely immune to the effects of the global economic downturn, but, overall, it held up reasonably well in 2009, with a slight decline of 3% to a market value of $1.2 billion in total software revenue (while many other segments in the software industry saw much steeper declines). Gartner remains cautious, but optimistic, that this market will enjoy a slow but steady growth of 2% by year-end 2010, with more robust growth expected in the ensuing years, provided the economy remains on a recovery track. (By 2014, we expect the EAM software market to grow to approximately $1.5 billion in total software revenue.) Higher growth may return to the market faster, but one of the influencing factors is public-sector infrastructure plans, which, in many economies around the world, are currently in doubt as governments look to reduce spending plans.

Vendors with broad offerings – e.g., mobile workforce, advanced scheduling, outsourced service management, work management (construction/maintenance/service) and supply chain management — will continue to lead this market. The drive to automate the end-to-end business process will force consolidation and extension to other applications (for example, customer service, asset management and mobile workforce management). Utility companies will benefit by having fewer vendors to manage, and, in the long term, by having access to capabilities for distributed asset and resource optimization.

Gradually, we see application convergence to create an enterprise solution covering the asset life cycle (i.e., design, procure, operate, maintain and retire) and task-supporting functionality (i.e., mobile workforce, work and asset management, customer and field service, and business analytics) to achieve resource and asset optimization. Utilities should also plan on developing enterprise architecture and enterprise information management strategies to enable more advanced asset analysis capabilities, and to prioritize aging asset risks. EAM, GIS and analysis tools with good enterprise architectures will enable utilities to analyze the multiple perspectives of viewing the assets.

For delivery utilities (aka, network companies), the functionality must be capable of distributed asset support, with particular importance attached to linear asset structures, remote locations of assets, short-term work, reactive or failure-triggered work, condition and performance monitoring, preventive maintenance, and construction capability for network extensions. Particular emphasis is placed on the planning and execution processes. This is reflected in these requirements, which will be satisfied by the software products in this category. More recently, we have seen a rising need to integrate with operational technology (OT) devices, and this has been particularly accelerated with the needs of the smart grid and new-generation IP addressable supervisory control and data acquisition (SCADA) systems. Typically, we see EAM systems

interfaced with the data historian as a proxy for OT integration, and we expect vendors to reflect this growing client need more specifically in the coming years.

The following are the main functional features expected:

- Detailed asset registry, combined with detailed parts and support descriptions

- Support for complex inventory relationships for indirect — i.e., blue-collar maintenance, repair and overhaul, such as maintenance, repair and operations (MRO) — goods that are associated with forecasts of planned and unplanned work on installed assets

- Supply chain capability for indirect goods, with demand planning linked to maintenance and repair schedules

- Probability-based, "just in case" and MRO-focused inventory and procurement, rather than "just in time" or material-requirements-planning- (MRP-) based

- Support for manufacturer logistic processes for equipment under warranty

- Human capital management capabilities to match location, skills, training and availability with work requirements

- Statistical analyses of equipment performance and reliability

- Remote electronic monitoring of asset health and performance through integration with OT systems

- Serial number tracking and tracing for equipment and parts

- Financial support via detailed cost analysis

- Integration with whatever financial and HR package is deployed

- Extensive warranty tracking to component levels

- Capital construction planning (based on compatible units) defining linear assets and geographic locations

- Long-term maintenance, project and work schedules (integration with GISs)

- Short-term maintenance, client requests and failure recovery work schedules

- Inclusion of, or partnering with, mobile worker and field service support systems

Market Definition/Description

Gartner bases the concept of a Magic Quadrant on a customer-oriented market analysis. Consistent with the approach espoused by business author Geoffrey Moore, a market is "a set of actual or potential customers for a given set of products or services who have a common set of needs or wants, and who reference each other when making a decision."

Buyers sometimes refer to this particular market of component solutions as the "best of breed" or "point solution" market for EAM. Because buyers usually evaluate products from multiple vendors and look for point solutions rather than suites (on a ratio of 3:1, based on license fee expenditures), the ability to sell the EAM module as a stand-alone module is an important criterion for most buyers. However, clients already invested in an ERP suite would be wise to review the EAM capabilities offered by the ERP vendor suite.

What the Market Is Not

The market does not include IT asset management, facilities workplace management (i.e., an integrated workplace management system) or financial asset management, which are separate markets for software covered elsewhere by Gartner. In addition, the market does not encompass the related service parts planning market, which is related to EAM because it supports the provisioning of spare parts for a repair environment. Clients should separately consider coverage of these topics, particularly financial asset management, to plan and manage the depreciation of and investment return from generating assets over time. A product set for this purpose is sometimes called "asset investment planning."

Inclusion and Exclusion Criteria

Software products must address the majority of functional capabilities we have listed. Because there are more than 400 vendors in the EAM/computerized maintenance management system (CMMS) class of software, and because most of these are too small in company size or product scope to be of interest to Gartner clients, we evaluated only the top products worldwide that our clients requested via inquiries. These products have demonstrable track records in utilities (i.e., a significant portion of their license revenue is from utilities), they have estimated license fee revenue of at least $2 million generated during the past 12 months, and they cover multiple geographies.

We believe that the products assessed in this Magic Quadrant are of the greatest interest to our clients. The vendors actively sell and market their products in the U.S. and at least one other market. However, there may be reasons for other products to be included in an enterprise's shortlist, such as prior use, price or specific geographic presence. Only products that have been implemented and are in production have been evaluated.

Added

This is the fourth iteration of this industry-specific Magic Quadrant. Oracle and SAP have been included because they are commonplace in utilities and have effective EAM modules. While they are rarely implemented as component solutions, they are a significant market in themselves, so users of these ERP suites should evaluate the EAM modules offered.

Dropped

Some vendors active in utilities, but not in delivery utilities, are included in the "Magic Quadrant for Power Generation Enterprise Asset Management Software."

Evaluation Criteria

Ability to Execute

For network/delivery utilities seeking EAM software, the ability to execute is primarily a combination of factors driven by product functionality, global strength, and the ability to deliver a component solution (or "best of breed," as it is sometimes known) in the market (see Table 1).

We specifically looked at customer experience in our surveys. Customers were asked about vendor performance in four areas (from extremely dissatisfied to extremely satisfied):

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product/Service	High
Overall Viability (Business Unit, Financial, Strategy, Organization)	Standard
Sales Execution/Pricing	Standard
Market Responsiveness and Track Record	High
Marketing Execution	Standard
Customer Experience	Standard
Operations	Standard
Source: Gartner (September 2010)	

- Does the software do what it is supposed to do?

- Is the software reliable/bug-free?

- How good is the vendor at fixing problems?

- How satisfied are you with the overall relationship?

Using a numeric scale, and taking the entire pool of all references from all vendors in the manufacturing and concurrent utilities Magic Quadrant process, an average of overall customer satisfaction was determined, and then each vendor was ranked according to the scoring of responses specific to that vendor versus the average.

Completeness of Vision

For distribution utilities seeking EAM software, completeness of vision is primarily a combination of focus on the EAM and field service segments, an appropriate go-to-market strategy, and focus on innovation in EAM functionality (see Table 2).

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	High
Marketing Strategy	Standard
Sales Strategy	Standard
Offering (Product) Strategy	High
Business Model	Standard
Vertical/Industry Strategy	Standard
Innovation	High
Geographic Strategy	Standard
Source: Gartner (September 2010)	

Leaders

Leaders in this market have a global presence, an installed base in distribution utilities of all kinds, strong viability and a combination of rich features, including functionality, interfaces with different ERP applications, and a capable and global implementation partner community. IBM Maximo Asset Management continues as the Leader in the component EAM space. Although IBM also has clients outside of utilities, it has a strong presence in the industry.

Challengers

Challengers in this market show good execution, but may lack a focus on functional or technological innovations, which restricts their desirability — particularly as a stand-alone application. There are no Challengers in this iteration of the Magic Quadrant.

Visionaries

Ventyx, an ABB company, exhibits classic Visionary characteristics. It has a strong focus on EAM for utilities and increasingly broad functionality, it is suitable for all types of utilities, and it has displayed technical and functional innovation, as well as growth through related acquisitions. Having the option of including Ventyx's Service Suite for mobile workforce management improves the solution for distribution utilities. Ventyx's acquisition by ABB has had no discernibly negative impact as yet; rather, it has demonstrated a significant potential upside.

Oracle Utilities Work and Asset Management (WAM) is ranked as a Visionary as the Oracle product strategy becomes more apparent, and as the utilities group interacts with and draws on the resources of Oracle more than in the past. Oracle Utilities has a demonstrable vision for closely integrating the monitoring and control of

infrastructure with traditional EAM features. This will be particularly beneficial in the power sector (including integration with in-house network management and OMS functions), and some aspects will also extend to gas and water utilities.

Mincom enters the Visionaries quadrant and displays the outcome of extensive management changes. It has created a stronger technical vision (with Ellipse EAM application's recoding to Java, with consequent service-oriented architecture [SOA] capabilities, and with a more universal integration strategy), a more focused mobile workforce management partnership, improvements to work planning functions, and a clarified reporting strategy.

Niche Players

Vendors are classified as Niche Players due to one or more of several factors, including:

• Narrow platform support

• Lack of global presence

• Inability to assess long-term viability due to nontransparent or poor financial performance

• Limited presence in the distribution utility market

The Niche Players quadrant contains three classes of vendors:

• Those that offer EAM as a stand-alone component application (e.g., Invensys Operations Management [Avantis] and Logica)

• Those that offer EAM as part of a suite (e.g., Oracle E-Business Suite, Oracle JD Edwards EnterpriseOne, and SAP)

• Those that can be delivered as a component or as a suite (e.g., IFS)

Clients need to consider the choice of Oracle EAM applications. Because of its growth through acquisitions, Oracle has six distinctly different offerings covering EAM. The products targeted and successfully sold to distribution companies are assessed here. They are:

• Oracle E-Business Suite eAM

• Oracle JD Edwards EnterpriseOne Capital Asset Management

• Oracle Utilities WAM, which started out as Synergen, was acquired by SPL WorldGroup and then came to Oracle

Oracle has other EAM solutions that are not considered here for distribution utilities (i.e., Oracle PeopleSoft Enterprise Maintenance Management [sometimes referred to as "Enterprise"], whose EAM

module was released by PeopleSoft after its acquisition; Oracle Complex MRO [cMRO — for aerospace and transportation]; and the old JD Edwards World product). These products are not considered in this Magic Quadrant due to a lack of distribution-focused activity.

In the case of suites with inseparable EAM modules, the limitation of being usable (for all practical purposes) only within the larger ERP suite, along with the client cost associated with that strategy, lessens broad demand and impacts execution and vision. We have found that two-thirds of implementations are of a component solution. For suite vendors, often no more than half of their client bases use the "standard" EAM module. Increasingly, it is an important buying criterion, as clients avoid vendor lock-in and look to have more limited-scope projects in current economic times. However, it must be noted that SAP and Oracle continue to invest in their EAM modules as integral parts of their ERP suite strategies. In both cases, EAM functionality has improved (e.g., SAP via the use of Enhancement Pack releases, and Oracle by recoding the IP from Oracle Utilities and other sources into the E-Business Suite) to the point where SAP and Oracle should always be included in EAM evaluations, if the utility is already invested, or plans to invest, in that ERP suite.

Invensys has moved to the Niche Players quadrant because it has lost pace slightly with customer expectations in the delivery utility market for compatible units, and for a ready-to-execute mobile workforce product or partnership.

Vendor Strengths and Cautions

IBM Maximo Asset Management

IBM Maximo Asset Management continues to have a strong product and presence in the industry, although clients frequently experience negotiating challenges because IBM knows it has a premium product.

Strengths

- Under IBM ownership, Maximo has moved to extremely high viability.

- Global sales and implementation resources make the solution widely available.

- Combined with Tivoli software, IBM Maximo Asset Management is able to manage IT-enabled assets with the same solution used to manage physical plant assets.

- It has a high EAM investment and leverages IBM's research capabilities.

- It supports integration with a wide variety of ERP suites and OT systems.

- There is an optional extension for Linear Asset Manager.

- It has native integration with ESRI GIS.

- It has versatility across multiple platforms.

Cautions

- Contracts and negotiations continue to be challenging for some clients, as are relations with the vendor.

- A specialized version is required for transmission and distribution (T&D) operations.

- It is one of the most expensive products on the market (but with very high functionality).

- IBM is not known as a business application software company, and it has limited business application products in the market.

IFS

IFS does well with its product set and has had expanded sales in new geographies; however, there are still no power industry sales in the U.S., and there is more of a focus on generation than delivery/network utilities.

Strengths

- IFS's solution can be implemented as part of an ERP suite or as a component EAM.

- Its componentized SOA provides a high degree of flexibility.

- It has an innovative and rich maintenance functionality.

- It offers very competitive pricing.

- Good customer references for satisfaction are available.

- It is very strong in construction project management, which is integral to the EAM component.

Cautions

- IFS only supports the Oracle Database.

- It is not widely deployed in delivery/network utilities.

- The existing customer base is weighted toward EMEA.

- Available resources need to be examined closely prior to project commencement in regions where IFS has not had significant

industry sales. There is an increasing number of system integrator partnerships, but their relevant experience needs to be evaluated.

- There is limited global marketing in and commitment to this sector.

Invensys Operations Management (Avantis)

Invensys Avantis is Microsoft-focused, and is more adept at the important integration of IT and OT requirements because of its Invensys family "DNA." However, for delivery utilities, it loses pace with market demands due to the absence of compatible units or an intrinsic mobile workforce solution.

Strengths

- Invensys Avantis has a well-regarded and efficient implementation methodology.

- It has good native business intelligence.

- It has a broader asset strategy of OT system links and support for reliability-centered maintenance functionality.

- There is a global sales and support presence.

- It has versatility across multiple platforms.

- There is a very high degree of customer satisfaction.

Cautions

- EAM is not central to the Invensys product portfolio.

- It has fewer resources (internally) for development.

- It has only limited distribution industry experience.

- There is no compatible unit functionality; however, there is a capital construction capability.

- The Mobile Workforce solution is yet to be fully evolved based on the SAT acquisition.

- The EAM product's pricing is at the upper end of affordability for midsize companies.

- It has a Microsoft-centric user interface and platform focus (a strength for some clients).

Logica

Logica's EAM product, the Asset and Resource Management (ARM) Suite, is the result of combining functionality from existing products, the Work Management Information System (WMIS) and Storms. It is more oriented to work management than asset management. Many clients still hesitate to upgrade and fewer still are buying the new product.

Strengths

- Logica specializes in the distribution utility field, and has good client and market understanding.

- It has large, global, in-house implementation resources.

- It has ready-made integration with multiple ERP vendors.

- It has a good industry fit through the user interface and product terminology.

- Its vision for future products is consistent with industry needs, and it retains essential product features.

Cautions

- It is only available on the Oracle Database.

- Logica performs the majority of its own implementations.

- There are a relatively small number of ARM development resources.

- A combination of multiple products with different designs forms the solution.

- There are limited ARM-experienced resources outside North America.

- There are relatively few new clients.

- It has relatively high license fees.

- There is no procurement and inventory functionality.

- There is only limited asset maintenance functionality, although it is an area of investment.

Mincom

Mincom has emerged from a transition to new ownership and new management. There is now an evident focus on improving the technical platform, extending functionality and leveraging partnerships. There is also a refinement of its dual strategy of suite and component offerings. While its U.S. utilities EAM performance still lags other vendors, and its international performance is uneven, there are positive signs of financial stability.

Strengths

- Mincom has flexible deployment as a component or a suite.

- It has strong utilities performance in its home country of Australia, and previously in the U.K.

- The Ellipse system has been recoded in Java and the technology strategy for reporting has been revisited.

- There is a high level of utility maintenance and construction functionality.

- It is focused on asset-intensive industries, such as utilities, and not manufacturing.

- Versatility exists across multiple platforms.

- Its mobile solution is undergoing change with a mobile platform from Antenna, and there are new field applications for EAM.

- Mincom's solution is highly scalable.

Cautions

- Mincom has a limited presence in Asia/Pacific, North America and Europe.

- Mincom is smaller compared with its multinational competitors.

- There is a relative shortage of resources and partners.

- It has few recent EAM utilities wins.

- Its financial position is slowly improving, but is not transparent in its current ownership structure.

- It has OT integration capabilities, but limited OT utilities experience.

Oracle E-Business Suite

Oracle E-Business Suite continues a steady progression of functional improvements approaching a complete ERP suite solution for delivery utilities. The partnership program is improving and there is a growing global T&D utility customer base. Existing clients of Oracle E-Business Suite should look first at the Oracle eAM module and benchmark any component alternative against the suite's module. The advantages of built-in integration may outweigh any functional shortfalls, of which there will be few.

Strengths

- Oracle E-Business Suite eAM functionality is approaching parity with best-of-breed applications after Release 12.

- It is starting to have good customer references and a global presence.

- It has good usability.

- There is a strong project and construction capability natively and with Primavera integration.

- It has strong project management functionality and now includes compatible units.

- It has a global presence.

- Oracle's eAM application should be on the shortlist in any evaluation of EAM solutions for Oracle E-Business Suite customers.

Cautions

- Oracle eAM has not been integrated with other ERP solutions as a component solution, and is not marketed as such. For non-Oracle customers looking for an EAM solution, Oracle eAM is not a practical candidate.

- Only Oracle Database support is provided.

- Compatible unit functionality has only just been released, so there is no track record.

- It has OT integration strategies and capabilities, but limited OT utilities experience.

- Oracle's efforts are diluted by supporting multiple solutions for just one market segment.

- It is unclear how future EAM applications will unfold with Fusion.

Oracle JD Edwards EnterpriseOne

Oracle JD Edwards EnterpriseOne Capital Asset Management has achieved global utilities sales, and appears to be well-suited to niche geographic locations, where JD Edwards skills are more available. It also has good functionality for general use.

Strengths

- Oracle JD Edwards EnterpriseOne Capital Asset Management has a very mature and stable platform.

- Overall, it has good asset management and capital construction functionality.

- It has a wide choice of platforms and operating systems.

- It has a strong presence in some markets (e.g., Western Canada, Latin America and the U.S., as well as in gas, water and municipal utilities).

- Its products should be evaluated by existing Oracle JD Edwards customers.

Cautions

- Oracle JD Edwards EnterpriseOne Capital Asset Management is only available as part of the JD Edwards EnterpriseOne ERP suite.

- While improved in recent releases, it has an older-generation user interface.

- Oracle JD Edwards has limited experience in power T&D utilities.

- There is less focus on its package for utilities, given Oracle's alternatives.

- It is unclear how future EAM applications will unfold with Fusion.

Oracle Utilities Work and Asset Management

Oracle has taken steps to use the broader family of technologies and to extend the capability from basic EAM to include integrated features of network management. The vertical strategy is working well; however, the countries and regions in which Oracle has qualified staff and established clients are still limited. The perception of being focused on small, local utilities makes larger deals difficult to come by.

Strengths

- Although well-suited to municipalities and water utilities (which are often smaller in scale than power utilities), the system is scalable to larger environments.

- The focus is on field service and distribution utility needs.

- It has lower cost and complexity.

- Open integration with multiple ERP suites is possible.

- Integration with other Oracle applications is being progressively delivered.

- The integration with network visualization and management tools will give a much broader solution footprint than competitors.

- There are in-house options for mobile and dispatch solutions.

Cautions

- Having been acquired first by SPL WorldGroup and then by Oracle has resulted in product overlap within the Oracle E-Business Suite.

- It is available only on the Oracle Database.

- The countries and regions in which Oracle Utilities has qualified WAM staff and established clients are still limited.

- It is unclear how future EAM applications will unfold with Fusion.

SAP

SAP has steadily worked to address functionality shortfalls. Now, through its enhancement packages since ECC 6, this is a nonissue. We are long past the time when SAP customers would always consider a competitor's component solution, and SAP ERP users should benchmark any component offering against the latest evolution of the SAP EAM solution. The last remaining user objections are pricing and the negative sentiment toward the user interface, which can be mitigated by a number of Web browser overlays.

Strengths

- SAP has the majority of EAM functionality that most utilities would require.

- It recently added true supported, compatible unit functionality after a long gestation period.

- It has a well-developed partner program to fill functional gaps.

- SAP Business Suite 7 (previously referred to as ECC 6), as a combined solution, provides a single view into all aspects of work and asset management — from HR to materials management.

- The program of enhancement packages has provided progressive functional improvements with fewer disruptions than a traditional upgrade.

- Recently, there have been significant improvements in work planning (i.e., assigning resources to planned jobs).

- It is available on multiple platforms and databases.

- The IS-U package extension provides further utility-specific functionality.

Cautions

- SAP's EAM application, while theoretically capable of being implemented as a stand-alone application, requires extensive implementation of other components of SAP's suite solution, such as materials management, financial and HR. Thus, for all practical purposes, it is always marketed, sold and implemented in the context of a full SAP ERP deployment.

- SAP EAM is very rarely integrated with other ERP solutions as a component solution, and it is not marketed as such. For non-SAP customers looking for an EAM solution, SAP is not a practical candidate.

- Clients must check whether functionalities, such as an improved user interface and a visual parts selection (which requires additional software products and NetWeaver), are needed by their users.

- The mobile workforce solution is still evolving, but may be complicated by the acquisition of Sybase. It is also not globally supported to the same degree that SAP software is.

- SAP's Industry Value Network, which was half-focused on EAM for utilities, has essentially ceased to exist.

Ventyx, an ABB Company

Ventyx was recently acquired by ABB, which eases viability concerns and reinforces the commitment to the utilities industry. It has executed key acquisitions that bolster performance; however, the focus on power (networks in particular), might leave generation, gas and water clients feeling neglected.

Strengths

- Ventyx is a focused utilities specialist with the user interface and functionality to suit the industry.

- It has a long history of industry involvement and focus.

- The transition to the Asset Suite product included a Web services architecture as well as Java-based tools.

- Clients are steadily migrating to the new versions.

- The acquisition by ABB creates a separation of IT (Ventyx) and complementary OT (ABB) products that has no parallel in the utilities sector.

- It has acquired the Tech-Assist Shift Operations Management System (eSOMS) for expanded work management functionality.

- It is using its Ventyx sibling, MDSI Advantex, as its mobile workforce solution.

Cautions

- Its current product, Asset Suite, is based on a combination of older technologies from Empac and Passport.

- Customer satisfaction is improving, but depends on the software version and the support experience.

- Limited resources are available in the Asia/Pacific region.

- As part of ABB, changes in the performance of the Ventyx division will not be easily detected, although there appear to be good sales activities.

Vendors Added or Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets and skills, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability (Business Unit, Financial, Strategy, Organization): Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all pre-sales activities and the structure that supports them. This includes deal management, pricing and negotiation, pre-sales support and the overall effectiveness of the sales channel.

Market Responsiveness and Track Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word-of-mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.